LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6961 NOTE PREPARED: Jan 3, 2010

BILL NUMBER: HB 1321 BILL AMENDED:

SUBJECT: TANF Recipient Education.

FIRST AUTHOR: Rep. Harris BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires certain individuals and children who receive Temporary Assistance for Needy Families (TANF) to attend educational training approved by the Division of Family Resources (DFR).

Effective Date: July 1, 2010.

<u>Explanation of State Expenditures:</u> This bill requires TANF recipients who are less than 25 years of age and who have at least one child to attend an educational training program approved by the Division of Family Resources unless the individual has obtained at least an associate's degree. Additionally, the child of the TANF recipient, if the child is at least two years of age, is required to attend an approved educational program. DFR currently does not have any programs that may satisfy the requirements of the bill.

The bill is silent on who pays for the costs of educational training. The bill's requirements may be met if individuals are independently enrolled in educational programs. The state may experience increases in expenditures to provide, or provide for, educational training at no or partial cost to TANF recipients. State expenditures can be offset if DFR elects to require user fees to pay for a portion of the program. Any increase in expenditures would ultimately depend on the decisions of DFR administrators.

Explanation of State Revenues: Because the bill is silent on who pays the costs of educational programs, state revenue may increase to the extent DFR administrators elect to require user fees for educational training programs administered by the state or by a third party. Increases in revenue would depend on the decisions of DFR administrators.

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Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DFR.

Local Agencies Affected:

Information Sources: Jessaca Turner-Stults, FSSA.

Fiscal Analyst: Bill Brumbach, 232-9559.

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